STATEMENT OF

MARK REY

UNDER SECRETARY, NATURAL RESOURCES AND ENVIRONMENT UNITED STATES DEPARTMENT OF AGRICULTURE;

REBECCA WATSON

ASSISTANT SECRETARY, LAND AND MINERALS MANAGEMENT DEPARTMENT OF THE INTERIOR;

DALE N. BOSWORTH, CHIEF, USDA, FOREST SERVICE

AND

DR. PETER J.ROUSSOPOULOS, DIRECTOR, SOUTHERN RESEARCH STATION, USDA, FOREST SERVICE

BEFORE THE UNITED STATES HOUSE OF REPRESENTATIVES COMMITTEE ON AGRICULTURE CONCERNING THE PRESIDENT'S HEALTHY FORESTS INITIATIVE

APRIL 30, 2003

INTRODUCTION

Chairman Goodlatte and Members of the Committee:

We appreciate the opportunity to meet with you today to discuss the President's Healthy Forests Initiative (HFI) and other related issues. Before we begin, we would like to congratulate you, Mr. Chairman, on assuming leadership of the Agriculture Committee. We look forward to working with you and have very much appreciated the interest and support you have given to important natural resource management issues.

The need for action to restore our forests and rangelands to long-term health has never been greater. The presence of large amounts of hazardous forest and rangeland fuels poses a threat to public and private natural resources and to people. Additionally, millions of acres of forest and rangeland ecosystems are under relentless attack from native bark beetles and non-native invasive species, including highly flammable plant species, displacing natural forage and native habitat.

BACKGROUND

For most of the twentieth century, wildland fires were suppressed as soon as possible to reduce their negative effect. Aggressive fire suppression was effective but had an unintended consequence. The frequency and intensity of today's wildfires appears to have increased due to the buildup of fuels such as dead and dying trees and dense growth of flammable vegetation. Fire exclusion resulted in woody species encroachment into shrublands and grasslands, altered wildlife diversity and populations through habitat modification, and increased disease and insect infestations. This build up of fuel, coupled with other factors such as drought, have raised increasing concerns about the overall health of forests and rangelands.

In May 2002, working with the Western Governors' Association and a broad cross-section of interests including county commissioners, state foresters, tribal officials and other stakeholders, we reached consensus on a 10-Year Comprehensive Strategy Implementation Plan to reduce fire risks to communities and the environment. The plan sets forth the blueprint for making communities and the environment safer from destructive wildfires. The plan calls for active forest and rangeland management focusing on hazardous fuels reduction both in the wildland-urban interface and across the broader landscape. Active forest management includes: thinning trees from over-dense stands that produce commercial or pre-commercial products, biomass removal and utilization, and prescribed fire and other fuels reduction tools. We want to thank Congressman Pombo for initiating and the members of the House of Representatives for passing

House Concurrent Resolution 352 endorsing the 10-Year Comprehensive Strategy during the 107th Congress.

The President's Healthy Forests Initiative

Consistent with the belief that public land policies need to be based on common sense and common ground, this past August the President announced the Healthy Forests Initiative in order to help reduce the risks of catastrophic wildfires to communities and the environment, and to restore to health forest and rangeland ecosystems that currently suffer not only from the devastating effects of wildfire, but also from disease, insects and noxious weed infestation. The Healthy Forests Initiative seeks to address the dense, unhealthy condition of Federal forests and rangelands by giving Federal land managers the tools they need to restore these lands to a condition where they can resist disease, insects, and catastrophic fire.

The President further signaled his intentions to make this issue a top Administration priority in his 2003 State of the Union message. The Healthy Forests Initiative builds on the fundamentals of sound science and resource management principles that have guided the Forest Service and the Bureau of Land Management since their formation. These principles embody conservation and a balanced approach to the use of natural resources that remain valid today as these Federal agencies work-together with local communities, States, Tribes, and other Federal agencies. The Healthy Forests Initiative will help implement core components of the 10-Year Comprehensive Strategy Implementation Plan, enhancing and facilitating the work and collaboration agreed to in those documents, and will guide the restoration of healthy, viable ecosystems in our forests and rangelands.

The Administration has proposed a combination of legislative and administrative actions to implement the Healthy Forests Initiative.

Legislative Proposals

Last year the Secretaries of Agriculture and the Interior transmitted a legislative proposal to the Congress which would authorize emergency hazardous fuels reduction projects in priority areas of federal forests and rangelands outside wilderness areas. This proposal would allow timely treatment of public lands at risk of catastrophic fire and those that pose the greatest risk to

people, communities, and the environment. Our top priorities would include the wildland-urban interface, municipal watersheds, areas affected by disease, insect activity, windthrow, and areas subject to catastrophic reburn. We would select projects through collaborative processes, consistent with the 10-Year Comprehensive Strategy Implementation Plan.

USDA believes Section 322 of the Department of the Interior and Related Agencies
Appropriations Act of 1993 (commonly known as the "Appeals Reform Act) limits the Forest
Service's ability to work collaboratively with the public. The proposal would repeal of Section
322 which would enable USDA to develop an administrative review process that would better
allow collaboration with local communities and other interested parties before a decision is
reached. Repeal would thus stimulate up-front discussions and promote open relationships.

The legislative proposal also contained new standards for injunctive relief for activities necessary to restore fire-adapted forest and rangeland ecosystems. This provision would ensure that courts consider the public interest in avoiding long-term harm to ecosystems, and give deference to an agency finding that the public interest in avoiding the short-term effects of such action is outweighed by the public interest in avoiding long-term harm to such ecosystems.

Stewardship Contracting

The recently passed Consolidated Appropriations Resolution, 2003 (PL 108-7) contains stewardship contracting authority. This provision allows the BLM and the Forest Service to enter into long-term stewardship contracts with the private sector, non-profit organizations, local communities, and other entities. Congress has entrusted agency land managers with a critical tool to implement projects to achieve land management goals. In implementing this authority, the primary objective of these projects will be to improve forest or rangeland health; restore or maintain water quality; improve fish and wildlife habitat; and reduce hazardous fuels that pose risks to communities and ecosystem values. The focus is on what we leave behind – an improved land health– not what we take out. We will work with local communities and others to implement this authority to create jobs, and develop new business opportunities. These efforts will help the agencies and their State, Tribal, and local partners to better implement the

President's Healthy Forests Initiative and the National Fire Plan.

The Bureau of Land Management will implement stewardship contracting on a limited basis in FY 2003 while guidance for long-term implementation is developed. The Forest Service will implement stewardship contracting much as it did during the pilot program. Implementation is authorized on all units. Lessons learned from the pilots will be incorporated into the program. The agencies are preparing joint guidance for utilizing the new stewardship contracting authority that will be published in the Federal Register for public comment.

We want to emphasize that stewardship contracting is a tool to implement projects on which the appropriate National Environmental Policy Act (NEPA) processes have been completed. In addition to NEPA, all environmental laws will apply to projects. Projects will be consistent with applicable land use plans and, where applicable, would be subject to agency appeal procedures. The agencies will approve project design and maintain project control. We are committed to third-party program monitoring.

Administrative Actions

The President's Healthy Forests Initiative directs the Secretaries of Agriculture and the Interior, together with Council on Environmental Quality Chairman James L. Connaughton, to: improve procedures for collaborative selection and implementation of fuels treatments and forest and rangeland restoration projects; reduce the number of overlapping environmental reviews; develop guidance for weighing the short-term risks against the long-term benefits of fuels treatment and restoration projects; and develop guidance to ensure consistent NEPA procedures for fuels treatment activities and restoration activities. The Secretaries have taken several administrative actions to accomplish these objectives which include the following:

Proposed Categorical Exclusions (CE) for Fire-related Activities

On December 16, 2002, USDA and DOI published a notice seeking public comment on the proposal to add two new categorical exclusions under NEPA which allow some hazardous fuels

reduction activities and post-wildfire natural resource and infrastructure rehabilitation to be conducted without the preparation of an environmental assessment or and environmental impact statement. The proposed CE's will provide the departments with identical management tools that will improve consistency, timelines and cooperation among the Federal agencies. A categorical exclusion is a method for addressing environmental documentation provided for under the implementing regulations for NEPA. The proposed categorical exclusions are based on a field review and analysis of over 3,400 projects that were found to not have a significant effect on the environment. They are crafted to exclude such sensitive areas as wilderness, Wilderness Study Areas where actions may impair eligibility, wetlands, and impaired waters and archeological sites ESA-listed species critical habitat, and the construction of any permanent roads.

Council on Environmental Quality (CEQ) Memo & Model Environmental

Assessment (EA) Projects

CEQ Chairman Connaughton issued guidance clarifying the policy on the preparation of environmental assessments for fuels treatment projects. The clarification addresses the purpose and content of an Environmental Assessment, incorporation of information by reference, and analysis focused on potentially significant effects. The guidance asserts the need for active public involvement and concise documentation of project analysis. We believe this is a critical step in alleviating a part of the "process predicament" which has kept us from doing the nation's work. While this policy is being applied initially to ten DOI and five Forest Service projects, we have high expectations that lessons learned in developing these projects will be shared widely within the Forest Service and Interior for application throughout the lands we manage.

Appeals Process Reform (Revision of 36 CFR 215)

On December 18, 2002, the Forest Service published a proposed rule which would revise its implementing regulations under the Appeals Reform Act. Proposed changes are designed to encourage early and meaningful public participation in project planning. These changes will enable the decision maker to time a request for comments earlier in the project planning

process, when those comments will be of most benefit to the public and the decision maker. To further encourage early and effective public participation, the proposed revision to the regulation stipulates that a person must have provided substantive comment during the 30-day comment period to be eligible to appeal. This again allows the decision maker to address issues and concerns during project planning, rather than hearing about them after the EA is complete, or in an appeal, after the decision is made. A final rule is likely to be published this spring.

Similar modifications to standing requirements to encourage early participation are proposed to the Bureau of Land Management's administrative appeal rules. The Office of Hearings and Appeals and the Bureau of Land Management have published a proposed rule to amend existing regulations governing hearings and appeals to simplify proof of service, to codify rights of appeal, and to expedite review of wildfire management decisions. The rule would also make BLM wildfire management decisions effective immediately.

Endangered Species Act Guidance

On December 11, 2002 two guidance documents were issued by the Fish and Wildlife Service (FWS) and NOAA Fisheries to facilitate and improve the design, review, approval and implementation of HFI projects, and they currently are being used by agency personnel. "Alternative Approaches for Streamlining Section 7 Consultation on Hazardous Fuels Treatment Projects" emphasizes the grouping of multiple projects into one consultation. "Guidance on Evaluating the Net Benefit of Hazardous Fuels Treatment Projects" provides direction on how to fully consider and balance potential short- and long-term beneficial and adverse impacts to endangered species when evaluating such projects. HFI projects are being done in a more comprehensive and streamlined manner to achieve local and national HFI needs and meet endangered species goals. The goal is to recognize that project-specific, short term adverse impacts need to be weighed against the longer-term watershed level benefits such projects will achieve.

Proposed Section 7 Counterpart Regulation

The FWS, NOAA Fisheries, Bureau of Land Management, Bureau of Indian Affairs, National Park Service and Forest Service are developing Section 7 joint counterpart regulations under the ESA for projects that support the National Fire Plan. They anticipate proposing a draft rule in the Federal Register notice this spring, for public review and comment. The proposed regulations would provide an alternative, in some situations, to the existing section 7 consultation process by authorizing the action agencies to make certain determinations without prior consultation with the FWS and NOAA Fisheries. This proposed delegation would be authorized after appropriate training is completed and would be subject to periodic monitoring by the services. The purpose would be to meet all ESA obligations for species and habitat protection while encouraging determination and consultation processes to work more efficiently, utilizing expert professional biologists in all effected agencies.

Wildland Fire Outlook

The 2002 wildland fire season was intense, difficult, and historic. Long-term drought over most of the West contributed to an earlier and very severe fire season. Fires burned in every type of vegetation from grasslands to subalpine fir and in every type of ownership, often with devastating effects. For example, the Biscuit Fire in Oregon destroyed more than 100,000 acres of northern spotted owl habitat. The Pensaco Fire in New Mexico wiped out a population of Mexican spotted owls. The recovery plan for these owls had recommended the forest be managed to a healthier state through appropriate thinning. Of the 7.2 million acres burned in 2002, only a few wildfires were the large, uncontrolled fires seen on television. Many of these were the fires that burned in and around wildland-urban interface areas requiring extensive evacuations of communities, subdivisions, and ranches. Fire activity was intensified by unfavorable weather conditions and in many situations posed a safety threat to firefighters and members of the public.

The outlook for the upcoming fire season from our analysts at the National Interagency Coordination Center (NICC) in Boise, Idaho, is that nationally, the 2003 fire season may not be as severe 2002. However, we do have the potential for an above normal fire season in the

interior west, central and southern Alaska, the western Lake States, and northern Maine. Long term drought persists over much of the interior West. Mountain snow pack and precipitation remains below average for most of the western states with the exception of northern and central California. The outlook for March through August calls for early snowmelt for Alaska, the Pacific Northwest the Great Basin and northeastern California, and drought conditions emerging in the Great Lake States. Drought stressed or insect damaged vegetation is becoming more prevalent across the western states will increase the potential for large, destructive wildfires at mid to high elevations.

Non-Native Invasive Species and Bark Beetles

Mr. Chairman, before we close we want to address another serious issue facing Federal forests and rangelands today, the spread of invasive species and native bark beetles. Forest insects, fungi, and parasitic plants play important ecological roles. The tree mortality that results directly or indirectly from their activity drives plant succession and contributes to biological diversity. Although native insects and pathogens have been with us historically, the frequency, extent, or timing of outbreaks has changed dramatically for some of these disturbance agents. Changes in tree stand density, composition, and structure caused by fire exclusion and the lack of forest management are two factors that may have affected outbreak patterns. Introduction of invasive plant, pathogen, and insect species have also had an affect. In addition, the drought of the last four years over much of the country has stressed forests and lowered trees' resistance to insects and disease.

Large insect and disease outbreaks, like other natural and human-caused events that require immediate attention, do not respect administrative boundaries and impact forested lands of all ownerships, federal, state and private. These outbreaks are assessed by the land managers of forests where they occur. Where treatments can be expedited this is done; however, most treatments require environmental analysis before work can begin. Once the analysis is completed, National Forest, Interior, and state and private land managers can then set or revise the relative priority for response, taking into consideration all the other work that is required, the

relative urgency for treatment, and the resources available to do the work.

Two comprehensive strategies have been developed by the Forest Service to address Southern pine beetle and Western bark beetles. The goal of the strategies is to treat the current outbreak and reduce the likelihood of future large infestations. Suppression of an epidemic is the first step in a long term process that also includes forest restoration to conditions less susceptible to future attack. Public and landowner education programs and continued research to support suppression, prevention and restoration activities are key elements of the strategy.

The Forest Service is now developing a comprehensive strategy for all invasive species that threaten America's forests and rangelands. In addition, the Emerging Pest and Pathogen Fund was established in 2003 because of the continued high risk of damage to forests posed by invasive species. Priority at the national level is given to projects that protect wildland/urban interface areas, threatened and endangered species habitat, developed sites (such as campgrounds) and high value specimen trees, and state and private land adjacent to National Forests. Projects to eradicate new infestations of nonnative invasive insects and diseases are also high priority because such new pests are often very damaging and difficult to control once they are firmly established. National priorities are combined with regional priorities to determine overall funding priorities for treatment.

The Forest Service conducts research on native and invasive insects, plants and pathogens at research units across the United States. We collaborate with the Agricultural Research Service, Agricultural and Plant Health Inspection Service, and other federal and non-federal research organizations on such high priority threats as the western and southern bark beetles, Gypsy moth, the Emerald Ash borer Asian longhorned beetle, Hemlock woolly adelgid, and Sudden Oak Death disease. Research results include biological information that underpins quarantine of the pine shoot beetle and acoustical detection technology for identifying Asian longhorned beetle infested trees within a quarantine area. For Sudden Oak Death, Forest Service and university scientists have helped to refine quarantine regulations and their findings supported an emergency

eradication effort in California led by APHIS.

In addition to changes in the health of our forests, many rangelands became havens for herbaceous non-native species. Some rangelands have experienced more frequent wildfires due to the presence of flammable, exotic plant species, such as cheatgrass. In turn, each wildfire has created conditions favorable for a further increase in the number and extent of exotic species. This results in a cycle of vegetation and habitat degradation and in costly, destructive wildland fires.

Previously, wildland fire had maintained rangeland by rejuvenating decadent grasses and killing most young trees that might have expanded onto our rangelands. Fire suppression allowed an invasion of woody species such as pinyon juniper onto rangelands, causing reductions in grass cover and increased density of woodlands and shrub lands. On some sites, the loss of grass cover has resulted in increased wind and water erosion. Erosion further reduced herbaceous cover, perpetuating the cycle of degradation. When wildfires eventually burn these sites, they are generally severe due to increased fuel accumulation.

Conclusion

President Bush's proposed Healthy Forests Initiative is based upon a common-sense approach to reducing the threat of catastrophic wildfires by restoring forest and rangeland health. Our goal is to ensure the long-term safety and health of communities and ecosystems in our care. Our responsibility is to ensure the long-term health of our forests and rangelands for the use, benefit and enjoyment of our citizens and for generations to come. These are goals and responsibilities that we take seriously and we fully commit ourselves, our agencies and the resources you have provided us to fulfill them. We appreciate the continued bipartisan support we have received from the Congress, and we look forward to working with you to implement the President's agenda.

We will be glad to answer any questions you might have.